

FILED

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

SEP 22 2010

**EUGENE R. WEDOFF,
BANKRUPTCY JUDGE**

In re:

CANOPY FINANCIAL, INC.

Debtor.

)
)
)
)
)
)
)
)
Case No. 09 B 44943

)
)
)
)
Chapter 7

**FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER AWARDING TO
LEGALPEOPLE, LCC, SPECIAL COUNSEL TO TRUSTEE, FOR ALLOWANCE AND PAYMENT OF
FIRST INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

TOTAL FEES REQUESTED: \$61,306.10

TOTAL FEES REDUCED: \$239.65

TOTAL FEES ALLOWED: \$61,066.45

TOTAL FEES AND COSTS ALLOWED: \$61,066.45

The attached time and expense entries have been underlined to reflect disallowance in whole or in part. The basis for each disallowance is reflected by numerical notations that appear on the left of each underlined entry. The numerical notations correspond to the enumerated paragraphs below.

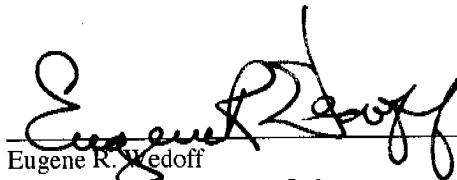
(7) Lumping

The Court may impose a ten percent penalty for "lumping." *In re Wildman*, 72 B.R. 700, 709 (Bankr. N.D. Ill. 1987) ("Applicants may not circumvent the minimum time requirement or any of the requirements of detail by "lumping" a bunch of activities into a single entry. [citation omitted]. Each type of service should be listed with the corresponding specific time allotment.").

(11) Overhead Costs are Non-Compensable

The Court denies reimbursement for fees or expenses that are overhead costs. Expenses which are overhead are not compensable because they are built into the hourly rate. See *In re Wildman*, 72 B.R. 700, 731 (Bankr. N.D. Ill. 1987). Overhead, for bankruptcy purposes, includes "all continuous administrative or general costs or expenses incident to the operation of the firm which cannot be attributed to a particular client or cost." *In re Convent Guardian Corp.*, 103 B.R. 937, 939-40 (Bankr. N.D. Ill. 1989) (quoting *In re Thacker*, 48 B.R. 161, 164 (Bankr. N.D. Ill. 1985)).

Dated: September 22, 2010



Eugene R. Wedoff
United States Bankruptcy Judge

Legalpeople

temporary and permanent lawyers and paralegals

TIMESHEET

Legalpeople must receive timesheets by 12:00 PM on Monday for the previous week. They can be faxed to us at 312-664-5300 or emailed to chicagotime@legalpeoplegroup.com.

NAME: Brian Tarnas

CLIENT/FIRM: Canopy Financial, Inc.

SUPERVISOR: Amber S.

SUPERVISOR SIGNATURE:

I will hold my check for pickup (checks can be picked up after 9:00am on Fridays)

If the box is not checked, your paycheck will be mailed on Thursday evening.

legalpeople

temporary and permanent lawyers and paralegals

TIMESHEET

*Legalpeople must receive timesheets by 12:00 PM on Monday for the previous week.
They can be faxed to us at 312-664-5300 or emailed to chicagotime@legalpeoplegroup.com.*

NAME: Brian Tarnow CLIENT/FIRM: Canopy Financial, Inc.

SUPERVISOR: Andrew V. Banas SUPERVISOR SIGNATURE: Andrew V. Banas

DATE	DESCRIPTION	HOURS
6/28	Review, analyze, and search Canopy's emails and documents for potential causes of action	8.9
6/29	Review, analyze, and search Canopy's emails and documents for potential causes of action	7.0
6/29	Analyze document productions and prepare memorandum discussing results of document review in preparation for strategy meeting.	1.0
6/30	Review and analyze Canopy's emails and documents for potential causes of action	5.6
6/30	Meeting with A. Banas, B. Roche and J. Hillinger to strategize regarding document review procedures	.7
7/1	Meeting with A. Banas, G. Palotan, and J. Hillinger to strategize regarding document review procedures	1.0
7/1	Computer downtime - no documents	2.5
7/1	Review and analyze Canopy's emails and documents for potential causes of action	5.9
7/2	Review and analyze Canopy's emails and documents for potential causes of action	7.1
7/2	Analyze document production and prepare memorandum discussing results of document review	1.2
TOTAL WEEKLY HOURS:		40.9

Please hold my check for pickup (checks can be picked up after 9:00am on Fridays)

If the above box is not checked, your paycheck will be mailed on Thursday evening.

legalpeople

temporary and permanent lawyers and paralegals

TIMESHEET

Legalpeople must receive timesheets by 12:00 PM on Monday for the previous week. They can be faxed to us at 312-664-5300 or emailed to chicagotime@legalpeoplegroup.com.

NAME: Thomas Mundt CLIENT/FIRM: Canopy Financial, Inc.

SUPERVISOR: Andrew Banas SUPERVISOR SIGNATURE: Approved electronically

Please hold my check for pickup (checks can be picked up after 9:00am on Fridays)

If the above box is not checked, your paycheck will be mailed on Thursday evening.

legalpeople

temporary and permanent lawyers and paralegals

TIMESHEET

Legalpeople must receive timesheets by 12:00 PM on Monday for the previous week. They can be faxed to us at 312-664-5300 or emailed to chicagotime@legalpeoplegroup.com.

NAME: Brian Tarnow CLIENT/FIRM: Canopy Financial, Inc.

SUPERVISOR: Andrew Banas SUPERVISOR SIGNATURE: Approved electronically

Please hold my check for pickup (checks can be picked up after 9:00am on Fridays)

If the above box is not checked, your paycheck will be mailed on Thursday evening.